



STATE OF MICHIGAN
TERRI LYNN LAND, SECRETARY OF STATE
DEPARTMENT OF STATE
LANSING

M E M O R A N D U M

DATE: October 6, 2004

TO: Independent, Political and Caucus Committees Registered on State Level

FROM: Michigan Department of State, Bureau of Elections

SUBJECT: UPCOMING FILING REQUIREMENTS

- **ALL INDEPENDENT, POLITICAL AND CAUCUS COMMITTEES REGISTERED ON THE STATE LEVEL THAT DO NOT MAINTAIN A REPORTING WAIVER ARE REQUIRED TO FILE THE OCTOBER CAMPAIGN STATEMENT DUE ON OCTOBER 25, 2004.**
- **INDEPENDENT, POLITICAL AND CAUCUS COMMITTEES THAT PARTICIPATE IN THE NOVEMBER 2 GENERAL ELECTION MAY BE REQUIRED TO FILE LATE CONTRIBUTION REPORTS AND/OR 24-HOUR REPORTS AS EXPLAINED IN THIS MEMO.**
- **THE CAREFUL REVIEW OF THIS MEMO IS RECOMMENDED TO ENSURE THAT YOU ARE AWARE OF THE FILINGS REQUIRED OF YOUR COMMITTEE IN THE COMING MONTHS!**
- **EACH INDEPENDENT, POLITICAL OR CAUCUS COMMITTEE REQUIRED TO FILE WITH THE SECRETARY OF STATE THAT 1) RECEIVED OR EXPENDED \$20,000. 00 OR MORE IN 2003 OR 2) EXPECTS TO RECEIVE OR EXPEND \$20,000.00 OR MORE IN 2004 IS REQUIRED TO FILE ELECTRONICALLY. COMMITTEES MAY APPLY FOR MERTS PLUS SOFTWARE ON LINE AT THE MERTS WEB SITE:
<WWW.MERTSPLUS.COM>**

October Campaign Statement

All Independent, Political and Caucus Committees registered on the state level that do not maintain a Reporting Waiver are required to file the October Campaign Statement due on October 25, 2004. The Campaign Statement is required even if the committee has no transactions to report for the period covered by the Campaign Statement.

The October Campaign Statement is not required of an Independent, Political or Caucus Committee registered on the state level that maintains a Reporting Waiver. Note that a Reporting Waiver maintained by an Independent or Political Committee is lost if the committee receives or spends more than \$1,000.00 during the course of the year, has an account balance over \$1,000.00 or has over \$1,000.00 in debts.

Coverage Dates of Statement

The October Campaign Statement due on October 25, 2004 opens on the day after the "closing date" of the last Campaign Statement filed by the committee. If the committee has never filed a Campaign Statement, the October Campaign Statement opens on the earlier of the following two dates: 1) the committee's formation date or 2) the date the committee accepted its first contribution or made its first expenditure.

The October 25, 2004 Campaign Statement closes on October 20, 2004.

Forms; Number of Copies Required

Forms for filing the October Campaign Statement are available on our website at www.michigan.gov/sos. The forms can also be obtained by contacting Irene Del Rio at the Michigan Department of State's Bureau of Elections. Phone: (517) 373-8612. Email: delrioi@michigan.gov.

When filing, one original copy of the October 25 Campaign Statement is required. A duplicate copy is no longer required.

File on Time!

If the committee raised **\$10,000.00 or less** during the previous 2 years, a \$25.00 late filing fee will be assessed each business day the Campaign Statement remains unfiled up to \$500.00. If the committee raised **more than \$10,000.00** during the previous 2 years, the maximum fee which will be assessed is increased to \$1,000.00. The late filing fee will be assessed as follows:

- (a) \$25.00 for each business day the Statement remains unfiled.
 - (b) An additional \$25.00 for each business day after the first 3 business days the Statement remains unfiled.
 - (c) An additional \$50.00 for each business day after the first 10 business days the Statement remains unfiled.
- Electronic filings must be transmitted and received by the Bureau of Elections before 5:00 p.m. on October 25, 2004.
 - An October 25 Campaign Statement that is hand-delivered or sent by first class mail must

reach this office before 5:00 p.m. on Monday, October 25, 2004. Be sure to allow ample mailing time if sending first class.

- An October 25 Campaign Statement submitted on paper or diskette that is mailed by registered mail, certified mail or an overnight delivery service and postmarked two or more calendar days before the filing deadline will be accepted as timely regardless of when it arrives.
- Be sure to fill out all forms as accurately as possible. Notices will be sent to the committee if forms are left off, figures are wrong, addresses are incorrect, etc. The committee is then required to file an amendment to correct the error.
- A Campaign Statement will not be accepted if it is illegible, does not bear a proper signature or is not the proper size.
- A Campaign Statement submitted by a committee required to file electronically will not be accepted unless it is submitted on a diskette or over the Internet.

Statement of Organization Amendments Required With Campaign Statement

A committee registered under Michigan's Campaign Finance Act is required to amend its Statement of Organization if any information presented on the form changes. Required amendments to the form must be filed no later than the due date of the next upcoming Campaign Statement required of the committee. Therefore, if your committee is required to file the October 25 Campaign Statement, we urge you to review your committee's Statement of Organization before you file the Campaign Statement. If any information on the Statement of Organization has changed, be sure to file an appropriate amendment to the form no later than October 25, 2004. An amended Statement of Organization cannot be filed electronically.

If a committee has a Reporting Waiver and is not required to file Campaign Statements, amendments to the Statement of Organization may be filed anytime information on the form changes.

Late Contribution Reports

An Independent, Political or Caucus Committee registered on the state level must report all "late contributions." A late contribution is any single contribution of \$200.00 or more received by the committee between the 15th and 3rd day before the date of any "election" in which the committee participates. The term "election" is used to mean a primary, general, special, recall or millage election held in Michigan or a convention or caucus held by a political party in Michigan to nominate candidates.

An Independent, Political or Caucus Committee registered on the state level that participates in the November 2, 2004 general election or the special election scheduled in the 17th State House District is required to file a "Late Contribution Report" if the committee receives a contribution of \$200.00 or more from October 18 through October 30, 2004.

- A Late Contribution Report must be received by this office within 48 hours after the committee's receipt of the contribution. A Late Contribution Report must contain the date and amount of the contribution along with the contributor's name, street address, occupation, employer and principal place of business. The report may be made in a telegram, fax or by any other means of written communication. A Late Contribution Report need not contain an original signature. In addition to this report, the late contribution must be disclosed on the next Campaign Statement filed by the committee.

- A form for filing a Late Contribution Report is available on our website: www.michigan.gov/sos. This form may be sent via e-mail or as an attachment to lcr@michigan.gov.
- Late Contribution Reports are not waived by a Reporting Waiver. However, committees with a Reporting Waiver are not required to show late contributions on a Campaign Statement.
- A committee, treasurer or designated record keeper who fails to report a late contribution required under Michigan's Campaign Finance Act is responsible for the payment of a late filing fee. The maximum late filing fee which can be assessed is \$2,000.00. The late filing fee will be assessed as follows:
 - (a) \$25.00 for each business day the report remains unfiled.
 - (b) An additional \$25.00 for each business day after the first 3 business days the report remains unfiled.
 - (c) An additional \$50.00 for each business day after the first 10 business days the report remains unfiled.

24-Hour Reports (Filed By Caucus Committees Only)

Caucus Committee are also required to file daily reports, from the 14th day preceding a primary, a general or special election to the day after the primary, general or special election, if the committee receives a contribution or makes an expenditure of more than \$1,000.00. Similar to a "late contribution report," a 24-Hour Report must fully disclose the contribution or expenditure, may be made in a telegram, fax or by any other means of written communication, and need not contain an original signature.

- A 24-Hour Report is due no later than 4:00 p.m. on the first business day following the date the contribution in excess of \$1,000.00 is received or the expenditure in excess of \$1,000.00 is made. The 24-Hour Report closes on the day the contribution is received or the expenditure is made.
- A Caucus Committee that participates in the November 2, 2004 general election or the special election scheduled in the 17th State House District is required to file a 24-Hour Report if the committee receives a contribution or makes an expenditure or more than \$1,000.00 from October 19 through November 3, 2004.
- If a 24 Hour Report is required for a contribution in excess of \$1,000.00, the Late Contribution Report Form can be used to meet this requirement. The form can be found at www.michigan.gov/sos. The 24 Hour Report can be emailed to lcr@michigan.gov.
- If a 24 Hour Report is required for an expenditure in excess of \$1,000.00, a schedule 2B must be used to meet this requirement. The form can be found at www.michigan.gov/sos. The 24 Hour Report can be emailed to lcr@michigan.gov as an attachment.
- If the committee raised \$10,000.00 or less during the previous 2 years, a \$25.00 late filing fee will be assessed each business day the report remains unfiled up to \$500.00. If the committee raised more than \$10,000.00 during the previous 2 years, the maximum fee which will be assessed is increased to \$1,000.00. The late filing fee will be assessed as follows:

- (a) \$25.00 for each business day the report remains unfiled.
- (b) An additional \$25.00 for each business day after the first 3 business days the report remains unfiled.
- (c) An additional \$50.00 for each business day after the first 10 business days the report remains unfiled.

Identification Requirements

PA 250 of 2001 amended the Michigan Campaign Finance Act to require PAC's, Ballot Question Committees and Political Party Committees to add the statement "**paid for with regulated funds**" to the identification or disclaimer included on printed matter or in paid radio or television advertisements. The amendment provides:

"Except for a Candidate Committee's printed matter or radio or television paid advertisements, each identification or disclaimer required by this section shall also indicate that the printed matter or radio or television paid advertisement is paid for 'with regulated funds.' Printed matter or radio or television paid advertisement that is not subject to this Act shall not bear the statement required by this subsection."

The use of the phrase, "Paid for with regulated funds by (name and address of committee)" is recommended.

Merts Plus Software For Independent, Political and Caucus Committees

The following reminders are offered for Independent, Political and Caucus Committees using MERTS Plus software to electronically file Campaign Statements. **Questions concerning use of the software should be directed to MERTS Plus Tech Support at: (703) 749-4642 or sent by e-mail to techsupport@nicusa.com.**

- **Election Cycles** – Make sure the correct election cycle(s) are entered into the Election Cycles Window. The election cycle for a candidate participating in the November 2nd general election ends on November 2, 2004. For expenditures made after the November 2, 2004 general election to support or oppose candidates or issues, a new election cycle will need to be created for each candidate or ballot issue (Section 1.4 of the MERTS Plus Manual for Independent and Political Committee). The election cycle begins on the day after the general election and ends on the day of the next general elections.
- **Campaigns** – Make sure up to date campaign(s) are created in the Campaigns Window for each candidate or issue supported or opposed by the committee. For expenditures made after the November 2, 2004 general election to support or oppose candidates or issues, a new campaign will need to be created for each candidate or ballot issue (Section 1.5 of the MERTS Plus Manual for Independent and Political Committees).
- **Reporting Periods** – A separate report record (with correct coverage period dates) must be created in the Reports Window for each Campaign Statement that will be submitted by the committee electronically (Section 1.6 of the MERTS Plus Manual for Independent and Political Committees).
- **Amendments to Campaign Statements** – An amended Campaign Statement cannot be filed electronically until an original Campaign Statement has been filed electronically. If more than one amendment to a Statement has been created, each amendment must be electronically submitted in the order it was created.

Obtaining The Merts Plus Software

State level committees wishing to obtain the MERTS Plus software may apply on-line at the MERTS Plus web site (www.mertsplus.com). Both on-site and on-line software training options are available. Access to the software is provided to committees that have completed the training session and submitted an original or amended Statement of Organization requesting the MERTS Plus software.

Questions?

If you have any questions, please do not hesitate to contact this office.

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